

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

	)	
In re:	)	Chapter 11
	)	
SEARS HOLDINGS CORPORATION, <i>et al.</i> , <sup>1</sup>	)	Case No. 18-23538 (RDD)
	)	
Debtors.	)	(Jointly Administered)
	)	

**MONTHLY FEE STATEMENT OF PRIME CLERK LLC, AS  
ADMINISTRATIVE AGENT TO THE DEBTORS, FOR THE  
PERIOD FROM OCTOBER 1, 2021 THROUGH OCTOBER 31, 2021**

By this monthly fee statement (the “**Statement**”), pursuant to sections 327, 330 and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 2016-1 of the Local Rules of the United States Bankruptcy Court for the Southern District of New York (the “**Local Bankruptcy Rules**”), Prime Clerk LLC (“**Prime Clerk**”), administrative agent to the above captioned debtors and debtors in possession (collectively, the “**Debtors**”), hereby seeks compensation and reimbursement for reasonable and necessary fees and expenses incurred for the period from

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<sup>1</sup>The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

October 1, 2021 through October 31, 2021 (the “**Statement Period**”). In accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 796] (the “**Compensation Order**”), Prime Clerk seeks (i) allowance of reasonable and necessary fees incurred during the Statement Period in an amount equal to \$2,242.97 and payment of \$1,794.37, which represents 80% of the total amount, and (ii) reimbursement of actual, reasonable and necessary expenses incurred during the Statement Period in an amount equal to \$0.00. In support of the Statement, Prime Clerk respectfully represents as follows:

Name of Professional:	Prime Clerk LLC
Authorized to Provide Administrative Agent Services to:	Debtors and Debtors in Possession
Date of Retention:	November 19, 2018 <i>nunc pro tunc</i> to October 15, 2018
Period for which compensation and reimbursement is sought:	October 1, 2021 through October 31, 2021
Amount of compensation sought as actual, reasonable and necessary:	\$2,242.97 <sup>2</sup>
80% of compensation sought as actual, reasonable and necessary:	\$1,794.37
Amount of expense reimbursement sought as actual, reasonable and necessary	\$0.00
<b>Total amount to be paid at this time:</b>	<b>\$1,794.37</b>

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<sup>2</sup> In accordance with the Compensation Order, at the expiration of the Objection Deadline (as defined in the Compensation Order), the Debtors are authorized to promptly pay 80% of the fees and 100% of the expenses identified in the Statement to which no Objection (as defined in the Compensation Order) has been served.

**Prior Monthly Statements**

<b>Date Filed; Docket No.</b>	<b>Period Covered</b>	<b>Requested</b>		<b>Approved</b>		<b>Holdback (20%)</b>
		<b>Fees</b>	<b>Expenses</b>	<b>Fees</b>	<b>Expenses</b>	
4/15/19; Docket No. 3193	10/15/18 – 11/30/18; 2/1/19 – 3/31/19	\$6,493.55	\$0.00	\$6,493.55	\$0.00	N/A
5/23/19; Docket No. 4013	4/1/19 – 4/30/19	\$2,223.55	\$0.00	\$2,223.55	\$0.00	N/A
6/28/19; Docket No. 4393	5/1/19 – 5/31/19	\$14,577.85	\$0.00	\$14,577.85	\$0.00	N/A
7/30/19; Docket No. 4654	6/1/19 – 6/30/19	\$8,266.65	\$0.00	\$8,266.65	\$0.00	N/A
8/30/19; Docket No. 5039	7/1/19 – 7/31/19	\$207,219.25	\$1,149.47	\$207,219.25	\$1,149.47	N/A
9/27/19; Docket No. 5245	8/1/19 – 8/31/19	\$150,629.50	\$2,160.76	\$150,629.50	\$2,160.76	N/A
10/30/19; Docket No. 5530	9/1/19 – 9/30/19	\$56,787.85	\$1,174.35	\$56,787.85	\$1,174.35	N/A
11/27/19; Docket No. 6107	10/1/19 – 10/31/10	\$31, 623.90	\$316.88	\$31, 623.90	\$316.88	N/A
12/13/19; Docket No. 6205	11/1/19 – 11/30/19	\$109,336.15	\$640.92	\$109,336.15	\$640.92	N/A
1/30/20; Docket No. 6795	12/1/19 – 12/31/19	\$76,064.80	\$142.55	\$76,064.80	\$142.55	N/A
2/20/20; Docket No. 7312	1/1/20 – 1/31/20	\$9,838.67	\$0.00	\$9,838.67	\$0.00	N/A
3/23/20; Docket No. 7504	2/1/20 – 2/29/20	\$4,583.81	\$30.00	\$4,583.81	\$30.00	N/A
4/20/20; Docket No. 7833	3/1/20 – 3/31/20	\$2,220.68	\$0.00	\$2,220.68	\$0.00	N/A

6/25/20; Docket No. 8051	4/1/20 – 5/31/20	\$1,693.22	\$0.00	\$1,693.22	\$0.00	N/A
8/5/20; Docket No. 8352	6/1/20 – 6/30/20	\$495.88	\$0.00	\$495.88	\$0.00	N/A
8/28/20; Docket No. 8408	7/1/20 – 7/31/20	\$5,353.04	\$70.00	\$5,353.04	\$70.00	N/A
9/30/20; Docket No. 8467	8/1/20 – 8/31/20	\$5,711.86	\$0.00	\$5,711.86	\$0.00	N/A
10/30/20; Docket No. 9055	9/1/20 – 9/30/20	\$2,437.05	\$0.00	\$2,437.05	\$0.00	N/A
11/30/20; Docket No. 9128	10/1/20 – 10/31/20	\$2,229.92	\$0.00	\$1,783.94	\$0.00	N/A
1/29/21; Docket No. 9274	11/1/20 – 12/31/20	\$1,659.34	\$70.00	\$1,659.34	\$70.00	N/A
3/1/21; Docket No. 9329	1/1/21 – 1/31/21	\$1,871.53	\$0.00	\$1,871.53	\$0.00	N/A
3/30/21; Docket No. 9382	2/1/21 – 2/28/21	\$1,413.88	\$0.00	\$1,413.88	\$0.00	N/A
4/30/21; Docket No. 9454	3/1/21- 3/31/21	\$1,358.05	\$70.00	\$1,358.05	\$70.00	N/A
6/30/21 Docket No. 9619	4/1/21- 5/31/21	\$1,489.60	\$0.00	\$1,489.60	\$0.00	N/A
7/30/21 Docket No. 9698	6/1/21- 6/30/21	\$1,625.93	\$0.00	\$1,625.93	\$0.00	N/A
8/27/21 Docket No. 9776	7/1/21- 7/31/21	\$1,061.98 (payment of 80% or \$849.59)	\$0.00	\$849.59 (80% of \$1,061.98)	\$0.00	\$212.39
9/30/21 Docket No. 9863	8/1/21- 8/31/21	\$9,156.62 (payment of 80% or \$7,325.30)	\$0.00	\$7,325.30 (80% of \$9,156.62)	\$0.00	\$1,831.32

10/29/21 Docket No. 10005	9/1/21- 9/30/21	\$1,700.89 (payment of 80% or \$1,360.71)	\$0.00	\$1,360.71 (80% of \$1,700.89)	\$0.00	\$340.18
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**Prior Interim Applications**

Date Filed; Docket No.	Period Covered	Requested		Approved	
		Fees	Expenses	Fees	Expenses
4/15/19; Docket No. 3196	10/15/18 – 2/28/19	\$981.75	\$0.00	\$981.75	\$0.00
8/14/19; Docket No. 4840	3/1/19 – 6/30/19	\$30,579.85	\$0.00	\$30,579.85	\$0.00
12/13/19; Docket No. 6214	7/1/19 – 10/31/19	\$446,260.50	\$4,801.46	\$446,260.50	\$4,801.46
4/14/20; Docket No. 7814	11/1/19 – 2/29/20	\$199,823.43	\$813.47	\$199,823.43	\$813.47
8/14/20; Docket No. 8377	3/1/20 – 6/30/20	\$4,409.78	\$0.00	\$4,409.78	\$0.00
12/15/20; Docket No. 9185	7/1/20 – 10/31/20	\$15,731.87	\$70.00	\$15,731.87	\$70.00
4/14/21 Docket No. 9409	11/1/20 – 2/28/21	\$4,944.75	\$70.00	\$4,944.75	\$70.00
8/13/21 Docket No. 9736	3/1/21 – 6/30/21	\$4,473.58	\$70.00	\$4,473.58	\$70.00
<b>Total</b>		<b>\$707,205.51</b>	<b>\$5,824.93</b>	<b>\$707,205.51</b>	<b>\$5,824.93</b>

**Summary of Hours Billed by Prime Clerk Employees During the Statement Period**

Employee Name	Title	Total Hours	Rate	Total
Johnson, Craig	Director of Solicitation	1.40	\$290.40	\$406.56
Brunswick, Gabriel	Director	0.40	\$266.20	\$106.48
Karotkin, Josh L	Director	0.50	\$266.20	\$133.10
Kesler, Stanislav	Solicitation Consultant	2.70	\$260.10	\$702.27
Porter, Christine C	Senior Consultant	6.00	\$235.90	\$1,415.40
Sugarman, Jason	Consultant	2.60	\$169.40	\$440.44
	<b>TOTAL</b>	<b>13.60</b>		<b>\$3,204.25<sup>3</sup></b>
	<b>BLENDED RATE</b>		<b>\$235.61</b>	

<sup>3</sup> This amount has been discounted to \$2,242.97 in accordance with the terms of Prime Clerk's retention. Taking into account this discount, the blended hourly rate is \$164.92.

**Summary of Fees Billed by Subject Matter During the Statement Period**

<b>Matter Description</b>	<b>Total Hours</b>	<b>Total</b>
Corporate Actions	2.70	\$702.27
Disbursements	10.50	\$2,395.50
Retention / Fee Application	0.40	\$106.48
<b>TOTAL</b>	<b>13.60</b>	<b>\$3,204.25<sup>4</sup></b>

**Summary of Expenses Incurred by Prime Clerk Employee During the Statement Period**

<b>Description</b>	<b>Total</b>
N/A	\$0.00
<b>TOTAL</b>	<b>\$0.00</b>

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<sup>4</sup> This amount has been discounted to \$2,242.97 in accordance with the terms of Prime Clerk's retention.

### **Jurisdiction**

1. The United States Bankruptcy Court for the Southern District of New York (the “**Court**”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the Amended Standing Order of Reference of the United States District Court for the Southern District of New York, dated January 31, 2012 (Preska, C.J.). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The predicates for the relief requested herein are sections 327, 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016 and the Local Bankruptcy Rules.

### **Background**

2. On October 15, 2018 (the “**Commencement Date**”), each of the Debtors filed a voluntary petition with the Court under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On October 16, 2018, this Court entered an order jointly administering these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). An official committee of unsecured creditors was appointed in these chapter 11 cases on October 24, 2018. On April 22, 2019, the Court entered an order appointing an independent fee examiner [Docket No. 3307].

### **Retention of Prime Clerk**

3. On November 19, 2018, the Court entered the *Order Pursuant to 11 U.S.C. § 327(a), Bankruptcy Rules 2014(a) and 2016(a), and Local Rules 2014-1 and 2016-1 Authorizing Retention and Employment of Prime Clerk LLC as Administrative Agent for the Debtors Nunc Pro Tunc to the Commencement Date* [Docket No. 812], which authorized the Debtors to employ and retain Prime Clerk as administrative agent *nunc pro tunc* to the Commencement Date in these chapter 11 cases.

**Relief Requested**

4. Prime Clerk submits this Statement in accordance with the Compensation Order. All services for which Prime Clerk requests compensation were performed for, or on behalf of, the Debtors.

5. Prime Clerk seeks (i) allowance of reasonable and necessary fees incurred during the Statement Period in the total amount of \$2,242.97 and payment of \$1,794.37, which represents 80% of the total amount, and (ii) reimbursement of actual, reasonable and necessary expenses incurred during the Statement Period in the amount of \$0.00.

6. Prime Clerk maintains computerized records of the time spent by employees of Prime Clerk in connection with its role as administrative agent to the Debtors. In that regard, **Exhibit A**: (i) identifies the employee that rendered services in each task category; (ii) describes each service such employee performed; (iii) sets forth the number of hours in increments of one-tenth of an hour spent by each individual providing services; and (iv) as applicable, sets forth the type of expenses incurred. **Exhibit B** hereto sets forth the type of expenses incurred by each Prime Clerk employee during the Statement Period, if any. In addition, Prime Clerk's hourly rates are set at a level designed to fairly compensate Prime Clerk for the work of its employees and cover routine overhead expenses. Hourly rates vary with the experience and seniority of the individuals assigned and are subject to periodic adjustments to reflect economic and other conditions.

7. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of these cases, (ii) the time expended, (iii) the rates charged for such services, (iv) the nature and extent of the services rendered, (v) the value of such services and (vi) the costs of comparable services other than in a case under this title.



**Notice**

8. Pursuant to the Compensation Order, this Statement will be served upon the Notice Parties (as defined in the Compensation Order). Prime Clerk submits, in light of the relief requested, no other or further notice is necessary.

**Conclusion**

9. WHEREFORE, pursuant to the Compensation Order, Prime Clerk respectfully requests (i) allowance of reasonable and necessary fees for the Statement Period in the total amount of \$2,242.97 and payment of \$1,794.37, which represents 80% of the total amount, and (ii) reimbursement of actual, reasonable and necessary expenses incurred during the Statement Period in the amount of \$0.00.

Dated: November 30, 2021  
New York, New York

Prime Clerk LLC

/s/ Shira D. Weiner  
Shira D. Weiner  
General Counsel  
One Grand Central Place  
60 East 42<sup>nd</sup> Street, Suite 1440  
New York, NY 10165  
Telephone: (212) 257-5450  
Email: sweiner@primeclerk.com

*Administrative Agent to the Debtors*

**Exhibit A**

**Fee Detail**



**Hourly Fees by Employee through October 2021**

<u>Initial</u>	<u>Employee Name</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
JSU	Sugarman, Jason	CO - Consultant	2.60	\$169.40	\$440.44
CHP	Porter, Christine C	SC - Senior Consultant	6.00	\$235.90	\$1,415.40
STK	Kesler, Stanislav	SA - Solicitation Consultant	2.70	\$260.10	\$702.27
GB	Brunswick, Gabriel	DI - Director	0.40	\$266.20	\$106.48
JLK	Karotkin, Josh L	DI - Director	0.50	\$266.20	\$133.10
CJ	Johnson, Craig	DS - Director of Solicitation	1.40	\$290.40	\$406.56
<b>TOTAL:</b>			<b>13.60</b>		<b>\$3,204.25</b>

**Hourly Fees by Task Code through October 2021**

<u>Task Code</u>	<u>Task Code Description</u>	<u>Hours</u>	<u>Total</u>
CORP	Corporate Actions	2.70	\$702.27
DISB	Disbursements	10.50	\$2,395.50
RETN	Retention / Fee Application	0.40	\$106.48
<b>TOTAL:</b>		<b>13.60</b>	<b>\$3,204.25</b>

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**Time Detail**

<b><u>Date</u></b>	<b><u>Emp</u></b>	<b><u>Title</u></b>	<b><u>Description</u></b>	<b><u>Task</u></b>	<b><u>Hours</u></b>
10/01/21	CHP	SC	Confer and correspond with W. Murphy (M-III) re check payments	Disbursements	0.20
10/01/21	CHP	SC	Coordinate check payments from distribution account	Disbursements	0.40
10/05/21	CHP	SC	Quality assurance review of distribution database	Disbursements	0.40
10/05/21	CHP	SC	Confer and correspond with M. Korycki (M-III) re wire payment	Disbursements	0.20
10/05/21	CHP	SC	Confer and correspond with T. Coletta (M-III) re check payments	Disbursements	0.20
10/05/21	JLK	DI	Confer and coordinate with case team re outstanding distribution tasks	Disbursements	0.30
10/05/21	JSU	CO	Quality assurance review of distribution database	Disbursements	1.10
10/06/21	CHP	SC	Confer and correspond with A. Detrick (M-III) re distribution account	Disbursements	0.10
10/06/21	CHP	SC	Coordinate check payments from distribution account	Disbursements	0.40
10/06/21	CJ	DS	Review distribution mechanics in confirmed plan in preparation for upcoming distribution	Disbursements	1.10
10/06/21	CJ	DS	Telephone conference with T. Archbell, S. Lonergan, S. Kesler, C. Porter and O. Bitman (Prime Clerk) re task list for upcoming closing and distributions	Disbursements	0.30
10/07/21	CHP	SC	Quality assurance review of distribution database	Disbursements	0.10
10/07/21	CHP	SC	Confer and correspond with A. Detrick (M-III) re distribution account	Disbursements	0.20
10/12/21	CHP	SC	Quality assurance review of distribution database	Disbursements	0.10
10/12/21	CHP	SC	Confer and correspond with A. Detrick (M-III) re account balance	Disbursements	0.10
10/12/21	CHP	SC	Confer and correspond with M. Korycki (M-III) re incoming wires	Disbursements	0.20
10/12/21	CHP	SC	Coordinate check payments from distribution account	Disbursements	0.20
10/12/21	CHP	SC	Coordinate wire payment transfer from distribution account	Disbursements	0.80
10/12/21	JLK	DI	Quality assurance review and approval of distribution wires	Disbursements	0.20
10/13/21	CHP	SC	Respond to creditor inquiry re distribution check	Disbursements	0.20
10/13/21	CHP	SC	Coordinate check payments from distribution account	Disbursements	0.50
10/14/21	CHP	SC	Confer and correspond with C. McMahan (Evolve) re account settings	Disbursements	0.20
10/14/21	STK	SA	Review and respond to inquiry from T. Coletta (M-III) related to opt-in / opt-out event	Corporate Actions	0.80
10/19/21	CHP	SC	Confer and correspond with A. Detrick (M-III) re check payments	Disbursements	0.20

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10/19/21	GB	DI	Draft monthly fee statement	Retention / Fee Application	0.40
10/20/21	CHP	SC	Confer and correspond with A. Detrick (M-III) re distribution check	Disbursements	0.20
10/20/21	CHP	SC	Coordinate check payments from distribution account	Disbursements	0.40
10/21/21	CHP	SC	Coordinate check payments from distribution account	Disbursements	0.30
10/25/21	STK	SA	Review and respond to inquiry from A. Detrick (M-III) related to administrative opt-in/opt-out event	Corporate Actions	0.60
10/25/21	STK	SA	Compile and provide details re opt-in/opt-out event as requested by A. Detrick (M-III)	Corporate Actions	1.30
10/26/21	JSU	CO	Coordinate check payments from distribution account	Disbursements	0.40
10/27/21	JSU	CO	Coordinate check payments from distribution account	Disbursements	0.30
10/28/21	CHP	SC	Coordinate check payments from distribution account	Disbursements	0.40
10/28/21	JSU	CO	Coordinate check payments from distribution account	Disbursements	0.40
10/29/21	JSU	CO	Coordinate check payments from distribution account	Disbursements	0.40
<b>Total Hours</b>					<b>13.60</b>

**Exhibit B**

**Detail of Expenses Incurred by Prime Clerk Employees During the Statement Period**

Description	Total
N/A	\$0.00
<b>TOTAL</b>	<b>\$0.00</b>